



CITY OF ELY

501 Mill Street Ely, Nevada 89301
City Hall (775) 289-2430
Cityofelynv.gov

ELY CITY COUNCIL REGULAR MEETING

March 10, 2022 5:00 p.m. – Ely Volunteer Fire Hall – 499 Mill Street – Ely, Nevada

1. Mayor Robertson called the regular meeting of the Ely City Council to order at 5:01P.M., led in the Pledge of Allegiance, and asked for Roll Call.

Members present:

Mayor Nathan Robertson
Councilman Ernie Flangas
Councilman Kurt Carson
Councilman Ed Spear (Zoom)
Councilman Jim Alworth
Councilwoman Jerri-Lynn Williams-Harper

City Officials and staff present in the building or via video conference:

City Clerk Jennifer Lee
City Treasurer-HR Director Janette Trask
City Attorney Leo Cahoon
Public Works Supervisor Mike Cracraft
City Engineer BJ Almberg
City Building Official Craig Peterson
City Police Chief Scott Henriod
City Municipal Judge Mike Coster (Zoom)
City Administrative Assistant Patti Cobb

Also, in attendance: Members of the public in attendance at the Ely Volunteer Fire Hall signed in (appears below) and the following persons attended via video conference: Geri Wopschall, and Samantha Elliott.

ELY CITY COUNCIL ATTENDANCE LIST

DATE: March 10, 2022

Print name below

Donna Bath

Michael Couch

SMarquez

George Chachas

Mitch McVicar

Teresa Cicaliano

Mark Bassett

Vince Fleischman

Print name below

2. PUBLIC COMMENT

Good Afternoon Mr. Mayor and members of the Council:

For the Record, my name is Donna Bath. I am here today representing WP Main Street Housing Committee and would like to comment on agenda items B 4.5.6. & 7.

I would like to thank Councilman Alworth for placing these items on your agenda this evening and for his work on trying solving our extreme need for housing in White Pine County.

Ely State Prison in 2019 was down approximately 40 employees. Fast forward to today, they are down 154 positions! The state closed our honor camp and moved staff to ESP to help cover the shortage.....at this rate, we could lose the prison as well the honor camp.

Our hospital is running at critically low levels

School District is critically low on teachers and substitutes

BLM & Forest Service can't fully fill positions

Great Basin Ntl. Park has a housing shortage

Our mines are looking to expand, where will they get additional employees without housing

Our Housing Committee has been working hard on solving our critical need for housing since early 2019.

- We hosted a housing summit in April 2019 and invited local contractors, developers and contractors within in a 3 state area, land owners, realtors and public in an effort to get housing built.
- Worked with our local realtors and UNR on a housing needs assessment
- Personally visited with local private property owners who have larger developable property and urged them to develop.
- We have vetted 38 contractors/developers to date, provided introductions to property owners and realtors
- We sent 375 letters to citizens who own property in WPC but do not live here, urging them to either rent or sell their property to ease our market

Through this journey, we discovered:

- The building codes for WPC and the City of Ely desperately need to be updated and should be uniform for both entities
- Ordinances need to be passed that will allow for tiny homes, 2-3 story apartment buildings and allow for utilization of existing smaller lots
- Existing abatement ordinances need to be enhanced and provide for stronger enforcement

The housing needs assessment that was completed in 2019 showed that at that time our community could have easily absorbed 100 single family homes and 125 apartments. Today's numbers indicate that our community can still absorb 100 single family homes but could easily absorb 300 apartments.

Our community has so many good opportunities and qualities, but we cannot move forward, grow and prosper without adequate housing.

The City and County recently hired a very qualified building inspector who has been working with our committee on many of these issues. It is going to take the coordination and cooperation of everyone in our village to get our housing issue on track. I urge you to consider and pass the items on your agenda.

George Chachas stated on your agenda item 7-1 you are to consider provisions for water service to the County Golf Course; that needs to be denied. The County has plenty of money; they gave free golf to friends and family. Has the Golf Course caught up with their previous bill? If not, this item needs to be turned down. Federal Law prohibits the discrimination of providing any federally funded or assisted public utility. I remind you golf is a luxury, not a necessity. Those that want to play, need to pay. Pro Tem Chairman Derbidge changed the format of the Municipal Utility Board Agenda by not allowing public comments after each item that was the adopted practice and he failed to disclose he was a golfer and did not abstain from the item; he needs to resign. On your agenda item B-4 you are to consider allocating funds to purchase “Tiny Homes” and/or “Park Model RV’s” for the benefit of William Bee Ririe Hospital. The City and the Hospital are supported by taxpayers and the City and Hospital have no business competing against the private sector. Pursuant to NRS 268.527 restrictions on powers of city subsection 2 states a city may not, under NRS 268.512 to 268.568, inclusive: assist any manufacturing, industrial, warehousing, or other commercial enterprise or any organization for research and development to locate within the city or within 10 miles of the city which would compete substantially with an enterprise or organization already established in the city or the county in which the city is located. The City selectively enforces the law. You put a hispanic woman out of business while she was operating her trailer park as she has done for decades, yet you look the other way when Keith Carson puts RVs in a trailer park as well as modular homes. The City has cited me and I have had to evict four tenants off of my property; one a Hispanic, one a Native American, one a Veteran, and one individual in a motorhome. All the while you are looking the other way and allowing others to use their property for RVs, motorhomes, and modular homes. You need to stop the discrimination. You failed to give me permits when I asked for them that you claimed I had to have; it appears you are targeting minorities. You need housing and there are people that have properties and yet you cut them off and now you want the taxpayer to bring in housing for the hospital. We pay for that hospital and yet you are cutting us off; no way, that item needs to die.

Teresa Ciciliano stated I just wanted to say hi.

3. Mayor – Discussion/For Possible Action – Approval of Agenda, including removal of agenda items.

Councilman Carson moved to approve the agenda as presented. Councilman Flangas seconded the motion. The motion carried unanimously.

4. CITY DEPARTMENT REPORTS

➤ CITY POLICE CHIEF

City Police Chief stated I wanted to let you all know we have not forgot about the traffic study on Murry Street. We did move our speed trailer up there to do that traffic study and unfortunately while it was up there it was damaged. We have ordered the replacement part and just like everything else it is on a slow boat from somewhere and they can’t tell me when the part is going to be arriving. As soon as we get the part, we will proceed with the traffic study.

➤ CITY CLERK

City Clerk Lee stated as of 5:00 P.M. today zero candidates have filed. The candidate filing period for seats one, three, and five ends March 18th. On our broadband, JoJo Meyers-Campos with Commnet informed me this week that they found a larger Cisco firewall for the City’s network, and it has shipped; Commnet is going to absorb the \$2,400.00 cost difference for us. On complaints, Administrative Assistant Cobb and I have been managing the six complaints my office has received this year to date. We have had two invalid complaints, two that were turned over to other City departments, and two that were mailed certified letters and together with the four complaints from last year; six complaints remain active.

➤ CITY TREASURER/HR DIRECTOR

City Treasurer-HR Director Trask stated we have hired a Fire Trainee person. We are still looking for a Fire Assistant Chief, and still advertising for the Utility Accounts Clerk position at City Hall. On the finance side, we will be meeting with the Budget Committee next week to go over each department’s budget.

Mayor Robertson asked on the job postings are those the only jobs we have open right now?

City Treasurer-HR Director Trask stated yes, just the Assistant Fire Chief, and Utility Accounts Clerk.

Councilman Alworth asked what is the Accounts Clerk position?

City Treasurer-HR Director Trask stated it is the position Rebecca used to hold. The temporary employee, Amberlee, chose not to put in for it but is willing to stay until we find a replacement.

➤ **CITY ENGINEER**

City Engineer Almberg stated I did get word earlier today that when we were in the local NDOT meeting at the County they expressed they were looking at some options for Aultman Street and would be reaching out to us. Today I heard they are applying for some of this money that is coming available (\$30 million) for the Ely Downtown Project. It is a very short notice for some things. There are things from our side they are asking for and so we will be focusing on that to get those to them to help with the Downtown Project. The Murray Street Project, which is our current CDBG Project is currently pending review to make sure it is meeting the requirements for the bid book and the spec book. We anticipate we will be advertising next Friday for bids and then hopefully get going on that project right away. You have probably already heard, but the House passed the appropriation bill with our earmark money for the Central Ely Sewer Project included and we are just waiting on the Senate. Our presentation for our submitted CDBG application will be March 29th. We are also spending a bunch of time with the PORTER Group trying to get together this year's earmark projects. A lot of those will be the same as before since we already got potential funding for one, this will be for phase two of that project. If we get funded for phase two and the work that will be included with the Aultman Street project that will get the main sewer line from the plant to the top of Murry Street, which carries about seventy percent of our fluent, upgraded.

➤ **CITY BUILDING OFFICIAL**

City Building Official Peterson stated the application for the interlocal agreement to assume the Fire Marshall's duty has been submitted to the State Fire Marshall and we are waiting to hear back from them. The County passed a resolution, and it was included in that application. I was notified today by the State Manufactured Housing Division and potentially between the 25th and April 14th they are going to have me down for a week of training so I can assume those duties as well, and Brad can fully retire.

Mayor Robertson passed the gavel to Mayor Pro Tem Williams-Harper

5. NNRY FOUNDATION REPORT

NNRY President Mark Bassett stated this weekend we will be celebrating Locomotive 81’s one-hundred and fifth birthday. She was born back in March of 1917. We will be operating trains on Saturday and Sunday in support of the Ely Film Festival and will have a birthday celebration at 12:30 p.m. on Saturday. This is the start of our 2022 season, and we are hoping it is a busy one. The following report was reviewed.



Nevada Northern Railway Foundation

A Nevada 501 (c) 3 Non-Profit Corporation
Depot: 1100 Avenue A, Ely, Nevada 89301
Mailing Address: PO Box 150040, Ely, Nevada 89315
Voice: (775) 289-2085 • Web: www.nnry.com • E-mail: info@nnry.com

Monthly Operations Report for February 2022

1. Locomotive Status – No change
 - a. Locomotives in service: #81, #93, #105, #109, #204, Wrecking Crane A & Rotary B.
 - b. Locomotive 40 is out of service for her heavy repairs. We have started on her repairs, she will be out of service until 2023.
 - c. Locomotives out of service needing moderate repairs: #201, #310 and #45
 - d. Locomotive 801 is being brought back into service. It is a very rare Baldwin VO diesel locomotive that is one of only eight left in existence.
 - e. Locomotives waiting funding for restoration: Steptoe Valley Smelting and Mining #309, Kennecott 801 and Rotary Snowplow B (for boiler overhaul.)
 - f. Locomotives out of service needing heavy repairs #802, #80 and the military locomotives.
3. Rolling Stock Status – No change
 - a. Passenger equipment in service: #07, #08, #09, Flatcar #23, Coach #5, Baggage Car/RPO #20, Outfit Car #06.
 - b. Passenger equipment out of service: #10, #2 and #05 needing heavy repairs.
 - c. Caboose in service: #3, #6 and #22 are operational.
 - d. Caboose out service: #5
4. Track Status – No change
 - a. Keystone Branch is open
 - b. Adverse Branch is open.
5. Ridership and Ticket Sales – Updated
 - a. In February we brought 74 photographers to Ely to participate in two photo shoots and a photography workshop. This is slightly higher than last year. The beauty of hosting the photo shoots is that the photographers post their pictures everywhere.
6. Social Media: Our reach on social media continues to expand, in the last 28 days:
 - a. We reached 1,642,262 people, a 77% decrease.
 - b. Post engagement was 302,982, a 33% decrease.
 - c. Our page likes were 431, an increase of 13%
 - d. We have 115,675-page likes.
 - e. 156,328 people follow our page.

Award Winning Destination

Best Adrenalin Rush in Rural Nevada - 2020
Trip Advisor Certificate of Excellence – 2020, 2019, 2018, 2017, 2016, 2015, 2014
Best Museum in Rural Nevada – 2020, 2017, 2016, 2014, 2013, 2010, 2009, 2008
Best Place to Take the Kids in Rural Nevada - 2020, 2019, 2018, 2015, 2014, 2013, 2012, 2011, 2010, 2009, 2008, 2007

Mayor Pro Tem Williams-Harper passed the gavel back to Mayor Robertson

6. REPORTS

➤ **COUNCILMAN CARSON**

Councilman Carson stated we did have Robinson Nevada Mining Company come to the Utilities Board Meeting this morning and give us a quick update on RW-7. They lost a pump and motor and are working on finding a new pump and motor. It is concerning because we have RW-6 that is completely out of the picture and will never be back online. It has been suggested that maybe the Mine should drill another well somewhere.

They are checking into that and will get back to us on the feasibility of that. I will keep everybody posted.

➤ **COUNCILMAN SPEAR**

Councilman Spear stated I know we are struggling getting candidates and I will not be refiling to run for this office. We need to get the word out for people to file.

➤ **MAYOR ROBERTSON**

Mayor Robertson stated Harry Rhea with the Tree Board and Clerk Lee have been working with the Arbor Day Foundation for the last few weeks and are a member of the Tree City USA for 2021. The Tree Board works hard at bringing greenery to our area and I would just like to recognize them for that. I would also like to note a lot of people in our community put a lot of effort into the Ely Film Festival that will be this weekend. It is Art and Music with a lot of good planning, and they are bringing a lot of people to our area.

7. ITEMS FOR DISCUSSION/POSSIBLE ACTION OF THE ELY CITY COUNCIL AS RECOMMENDED BY THE MUNICIPAL UTILITIES BOARD.

1. Board Members – City Engineer Almberg – Discussion/For Possible Action – Approval of the following terms through October 31, 2023 for provision of water services to the White Pine County Golf Course, to include, modify or exclude the following: 1. Water usage period begins April 1st through October 31st; 2. Ruth rate applied per monthly allotment amounts outline in Monthly Allotment chart for an annual total of 62 million gallons, with monthly allotments not carrying over; 3. Water used over monthly allotment billed at current City of Ely water rates; City Engineer will monitor City’s water tank levels and notify White Pine County Public Works Director if Golf Course watering needs to be temporarily reduced; and two year agreement contingent on White Pine County’s commencement of drilling irrigation well at the Golf Course in 2022.

Proposed Golf Course Water Usage and Rate (2022 – Rev. 2)

- Anticipated water use will begin April 1st and end October 31st (7 months).
- County would pay the Ruth Water rate for a total allotment amount of 62 million gallons.
- Monthly billing would be based on water usage from the meter readings. Any water uses over the monthly allotment will be billed at the current City of Ely water rates.
- If the monthly allotment is not used, it does not carry over.
- The 62-million-gallon allotment was determined from last year’s meter readings and taking into account the reduced water usage in the months of April and May.
- This is an interim agreement with the main objective to get the Golf Course on its own well and remove the high demand from the City of Ely system.
- With the current status of RW-7P well not inoperable. The City has the right to reduce and/or turn off the golf course irrigation water as required to maintain fire protection for the community.
- In the event that the City Wells are unable to maintain a minimum level of 25 feet within the courthouse tanks, the curtailment of the golf course irrigation will begin.
- In the event the City’s main 17th and M Well or the Golf Course Municipal Well are not operational, curtailment of the golf course irrigation will begin, regardless of the water elevation in the courthouse tanks.
- The curtailment will be coordinated between the City Engineer and the White Pine County Public Works Director.
- This agreement is meant to provide the County one (1) year to get the Golf Course on its own well.

Monthly Allotment	
Month	Volume (Gallons)
April	6,000,000
May	8,000,000
June	12,000,000
July	12,000,000
August	12,000,000
September	10,000,000
October	2,000,000

Councilman Carson stated the Municipal Utilities Board did recommend approval of this item this morning. I did just catch something though; on the agenda item we have it for a two-year contract and on our bullet points that we agreed with the County on it was a one-year contract.

City Engineer Almborg stated this was an amendment to our original agreement that was two years. I walked away from the meeting with the understanding there was a year left.

Councilman Carson stated so we are at a year left.

Councilman Alworth stated I think we need to clarify that with the County, so they are clear on the agreement.

Councilman Alworth moved to Approve the following terms through October 31, 2023 for provision of water services to the White Pine County Golf Course, to include, modify or exclude the following: 1. Water usage period begins April 1st through October 31st; 2. Rate applied per monthly allotment amounts outline in Monthly Allotment chart for an annual total of 62 million gallons, with monthly allotments not carrying over; 3. Water used over monthly allotment billed at current City of Ely water rates; City Engineer will monitor City's water tank levels and notify White Pine County Public Works Director if Golf Course watering needs to be temporarily reduced; and two year agreement contingent on White Pine County's commencement of drilling irrigation well at the Golf Course in 2022.

Councilwoman Williams-Harper seconded the motion. The motion carried unanimously.

2. Council Members – City Clerk Lee– Discussion/For Possible Action – Approval to remove past due utility fee penalties up to the amount of \$264.45 from 41 Sixth Street, McGill, Nevada at the request of property owner, Robert McShane.

Councilman Carson stated the Municipal Utilities Board recommended approval on this item.

Councilman Carson moved to approve the removal of past due utility fee penalties up to the amount of \$264.45 from 41 Sixth Street, McGill, Nevada at the request of property owner, Robert McShane. Councilman Flangas seconded the motion. The motion carried 4 to 1 with Councilman Spear voting Nay.

3. Council Members – City Clerk Lee – Discussion/For Possible Action – Approval of Water and Sewer Assistance Program Vendor Agreement between the State of Nevada Department of Health and Human Services Division of Welfare and Supportive Services (DWSS), and Energy Assistance Program-Water Assistance and Sewer Program (EAP-WSAP).

Councilman Carson stated the Municipal Utilities Board recommended approval on this item. It is a good program for the people that need the assistance.

City Attorney Cahoon stated I would like to correct the record from this morning. The term of the agreement goes until September 30th of next year with the option to terminate upon a thirty-day notice.

Councilman Carson moved to approve the Water and Sewer Assistance Program Vendor Agreement between the State of Nevada Department of Health and Human Services Division of Welfare and Supportive Services (DWSS), and Energy Assistance Program-Water Assistance and Sewer Program (EAP-WSAP). Councilwoman Williams-Harper seconded the motion. The motion carried unanimously.

8. ITEMS FOR DISCUSSION/POSSIBLE ACTION ONLY OF THE ELY CITY COUNCIL.

A. CONSENT AGENDA

Councilman Alworth disclosed I am a past member of the Volunteer Fire Department and bills that are paid on behalf of the City of Ely Fire Department I believe are paid in the best interest of the citizens.

MOTION: Move to approve the Consent Agenda item 8A-1 Minutes and 8A-2 Bills.

Moved by: Councilman Alworth Second by: Councilman Carson Vote: Unanimous

1. Discussion/For Possible Action –Minutes.
 - February 10, 2022
2. Discussion/For Possible Action –Bills.
 - February 22, 2022

B. NEW BUSINESS

Mayor Robertson stated I would like to take item eight in respect for McKay's time.

8. Council Members – City Treasurer Trask – McKay Hall CPA, CISA, CITP, CFE of *Hinton Burdick CPAs & Advisors* – Discussion Only – Review of U.S. Treasury Final Rule “Standard Allowance” option for American Rescue Plan Act funding recipients.

McKay Hall CPA, CISA, CITP, CFE with Hinton Burdick CPAs & Advisors stated I appreciate the opportunity to be here and address the Council tonight. We have had a chance to consult and confer with the City over the last little while regarding the ARPA funds that the federal government has provided. One of the things that has come out in the last few weeks they asked that I come and explain it to you and answer questions. Under the original interim final rule there were a few categories the money was allowed to be used for. You could use it to fight the disease, offset economic impact resulting from the pandemic; premium pay; offset lost revenue; or you could use it for water, sewer, and broadband infrastructure projects. The lost revenue option, at that time you had to take a base year and figure what your revenues were at that time and had to show you were receiving less than what you had at that time. The Treasury went through and looked at the information after ARPA Funds were sent out and looked at all the municipalities throughout the U.S. and determined that most of the smaller municipalities would lose somewhere between \$0 and \$11 million worth of revenue. In the final rule that came out a few weeks ago they said rather than make you run through the calculation and show what you have lost you have the option as a municipality to take a standard allowance loss. They said we have done the calculations and the standard loss is going to be \$10 million. You can choose to take that standard loss and claim up to \$10 million worth of the ARPA Funds as revenue replacement. You don't have to run any calculations or provide it to them. You can take that standard allowance and use it for government services, which has been broadly defined. There are a few things they have specifically stated you cannot use it for. You cannot put it into a pension fund, you cannot use it to pay debt, or replace any revenues that occurred because you changed your tax rates and therefor your revenue has gone down. Other than that, as long as it is for the benefit of the public it is pretty much a general government service and qualifies with the verbiage they have provided. For example, if you take that option, it doesn't give you any more funding. If you get \$5 million in ARPA funds you can't claim any more than that, but that standard allowance allows you to take whatever you received up to that \$10 million and recognize that as a standard loss. You can take that and use it for general government purposes such as personnel costs, law enforcement, pay-go building infrastructure which is cash funded infrastructure projects. If you take that standard allowance, you don't have to use all of the ARPA funding for revenue loss recovery. You can still use portions of it for the other categories if you want and it makes sense. Given the scope of that standard allowance, we thought it was pretty important to let you know, and we think you should consider using that option. It allows you to cover your general government services, which then frees up other non-federal money to be used to fund other projects or help people that are impacted by the pandemic. You can still use your own funding for that, but the compliance requirements may not be as high for that type of funding. I came to tell you about the standard allowance that came out with the final rule.

Councilman Carson asked when would we have to let them know by?

McKay Hall CPA, CISA, CITP, CFE with Hinton Burdick CPAs & Advisors stated the reporting deadline is April 30, 2022. If you are going to take a lost revenue recovery option with specific funding, you have to choose between either the previous calculation

method or the standard allowance when you make your report. The time frame for ARPA funds is you have to have it earmarked or designated for use by the end of 2024, and you have to have the funds spent by the end of 2026. You may not have to make that lost revenue recovery selection this time around if you haven't incurred any costs you want to use it for. If you don't claim the other method, you can still claim the lost revenue recovery next year when you do the report and apply the expenses there.

Mayor Robertson asked this is an annual option that we have to do with reporting every year?

McKay Hall CPA, CISA, CITP, CFE with Hinton Burdick CPAs & Advisors stated the reporting is required by April 30th of every year. You don't have to use all the funds this year and so if you don't use them this year you won't report on them. If you use them next year you would report on them then.

Mayor Robertson stated can you talk a little bit about the required audit we have been discussing? What are they auditing if we go one way versus the other?

McKay Hall CPA, CISA, CITP, CFE with Hinton Burdick CPAs & Advisors stated when you expend the federal funds, if you expend over \$750,000.00 in a year then you have to have a single audit as part of the financial audit. When that happens, they come in and take the compliance requirements the federal government has stipulated for the program, and they go through and make sure each one of those compliance requirements have been met. For example, for offsetting economic distress with these funds if that is what you choose to spend it on and that is the option you select, one of the requirements is you have to go through and assess what the financial impact has been to that person or that organization. You have to have that documented and you can only recompense up to the impact of that loss. In a single audit, they will ask for the documentation to show how that is calculated and how you determined it and that would meet the requirement. If you don't have that documentation and didn't go through those steps there will likely be a finding where they say you didn't do everything you were supposed to. Let's say you want to use some of the City funds to address financial impact; if you take a revenue loss option then the requirement is that you have to use the funding for general government expenses. You can show we have this much in law enforcement and employment costs until you have used it. That frees up cash you can use as a City and not federal funding to help address economic impact and not have to go through the same government federal compliance requirements with that funding because it is your funding and not the federal government's funding.

Councilman Alworth asked what is your consideration, Janette?

City Treasurer/HR Director Trask stated my input is I think we should take the revenue loss. I think we have enough expenses we could put towards the revenue loss and then that frees up our money to go towards a lot of projects that have been brought up recently. It will make it easier for us to get through the audit and stay in compliance.

Councilman Alworth stated what makes it confusing is the terminology of \$10 million.

City Treasurer/HR Director Trask stated it will only be up to what we receive.

Mayor Robertson stated given that time frame and the methodology is your recommendation that we take the entire ARPA amount and put it under the standard revenue loss deduction?

City Treasurer/HR Director Trask stated we can take a portion of it this year under the revenue loss deduction and push the rest to go under the next go around. I think that would give us time to figure out how we would like to do the next go around.

Mayor Robertson asked would our filing this April cover everything we have already spent?

City Treasurer/HR Director Trask asked McKay would you recommend that we do the full amount that we have received already? I know we have some projects coming up.

Mayor Robertson asked do we have enough in government expenditures to cover the entire ARPA amount, so we are not locked down to the other side where reporting is easier?

City Treasurer/HR Director Trask stated between the Enterprise Funds and other governmental funds we have over \$8 million in expenses, and I think that covers it.

Councilman Carson asked does this come in and out of the General Fund, and will the County get a percentage of it?

City Treasurer/HR Director Trask stated no, we are done calculating the police protection based off the FY 2021 audit. It would not be even if we were still calculating that portion. I will be working with McKay or our auditors on the accounting of how to properly record it.

Councilman Alworth stated since we contract our police protection and he mentioned police protection twice; does our fire department fall within this?

City Treasurer/HR Director Trask stated yes, all the departments fall within it we would just have to subtract out any pension or PERS amounts. We have talked about the utility funds since they are a public service, providing they fall under this too.

McKay Hall CPA, CISA, CITP, CFE with Hinton Burdick CPAs & Advisors stated in the final ruling utilities were considered a government service and can be included.

Councilman Spear stated I am confused. You read this thing and it says \$10 million and the ARPA funding is at \$5.4 million so are we going to do that, and we have the April 30th deadline to make the decision of which way we want to go? Are we going to go for the \$10 million or the \$5.4 million and we have to make that decision by April 30th of this year, is that what you said?

McKay Hall CPA, CISA, CITP, CFE of Hinton Burdick CPAs & Advisors stated the federal government put it in that way because they didn't want to worry about who got how much. If you take the standard allowance, it is up to \$10 million. We are not giving you anymore money, but you can claim up to that. If you received \$5.4 million that is what you get in a standard allowance on the lost revenue recovery. If you have projects for \$250,000.00 in your water, sewer, or broadband and you want to keep it there, you can still list \$250,000.00 in that category even though you have that \$10 million worth of standard loss allowance.

City Treasurer/HR Director Trask stated we checked with our auditors to confer their opinion on this. They studied it and they came back and agreed with what McKay is telling us.

Councilman Alworth asked during budget process are we going to have to get creative on getting this money into this standard allowance category if we go through with this?

City Treasurer/HR Director Trask stated I am not one hundred percent sure how we are going to work this, but right now the money that we got is sitting in our revenue so until we actually spend it, it does not come out. It all goes in one account, and I am tracking it.

McKay Hall CPA, CISA, CITP, CFE with Hinton Burdick CPAs & Advisors stated what I might recommend is that you hold off on budgeting it for the moment because it is a one-time funding source. You have the expenses coming through this year that you can claim as lost revenue recovery and that frees up your funds that you could use this year if you want, but you may not have to and may be able to carry them over to next year.

Councilman Alworth asked I was wondering how the budget that she is working on for 2022/2023 will be budgeted?

McKay Hall CPA, CISA, CITP, CFE with Hinton Burdick CPAs & Advisors stated you have two questions; one is how you are going to treat this and the expenses that you have through your government services will offset and that then will free up your cash, and the second question is then how do you use that cash? The question in the budgeting process for this next year is are their specific uses that we need. Keep in mind any funds that are freed up through this that are City funds you can carry through to next year or the year after. You don't necessarily have to spend them right away.

Mayor Robertson asked is that because we have accounted for them in government services expenditures.

McKay Hall CPA, CISA, CITP, CFE of Hinton Burdick CPAs & Advisors stated yes, you spent the government funds on your government services such as law enforcement and fire. The money you would have normally used then goes into the bank and that is your money and not federal money, so you don't have a time limit on that in that respect.

City Treasurer/HR Director Trask stated the way I see it is if we decided to do the revenue loss and take the police protection it still stays under the police protection. It just frees up that money I can now take in the unearned and put it into our cash account and it still shows as an expense under police protection. I am tracking all of this on my spreadsheet I have.

Councilman Alworth stated that is a good answer. The question I have is how long is it going to take you or the Budget Committee before the May deadline to get the budget out with additional budgeted projects?

City Treasurer/HR Director Trask stated maybe we do what McKay said and continue budgeting like we have and take the revenue loss of what we can put towards this year and declare that.

Councilman Alworth asked you are not going to line item it out then?

City Treasurer/HR Director Trask stated not until we know what we want it to be. I am not one hundred percent sure how this is going to work, and I am going to have to work with the auditors. If the money is there and it is not part of the budget are augmentations available to adjust the budget to accommodate projects that come up?

McKay Hall CPA, CISA, CITP, CFE of Hinton Burdick CPAs & Advisors stated should be able to.

1. Mayor Robertson – Discussion/For Possible Action – Acceptance of Jason Bath's resignation from the Regional Planning Commission with retroactive approval to notice the vacancy.

Councilman Spear stated this is one more example of where we need that hospital housing program to help these healthcare providers we so desperately need here in a small area.

Councilman Carson moved to accept Jason Bath's resignation from the Regional Planning Commission with retroactive approval to notice the vacancy. Councilwoman Williams-Harper seconded the motion. The motion carried unanimously.

2. Councilman Carson – Discussion/For Possible Action – Approval for the City of Ely to apply for the Nevada Department of Wildlife Grant in the amount of \$174,000.00 with Steptoe Valley Trap, Skeet, & Target Club providing the In-Kind Applicant contribution of \$19,333.00; grant funds would be used toward completion of Shooting Range building interior.

Mitch McVicars, President of the Bristlecone Bowman stated we started this project quite a few years ago to get a new shooting facility when we went in with the trap and shooting club to build an indoor building so we can have indoor archery. We are currently shooting in the old dairy barn in McGill, which was probably built in the 1920's. There

are no bathrooms, but we do have heat. We are just trying to build a new facility. I have been shooting over there since before I could remember and would like to keep it going in the community. I was looking at pictures and on April 18, 2019 Chris Jensen Drilling donated a big portion of the well and then we received funds from the Tourism and Recreation Board to get water out to this property. On July 17, 2019 I have pictures of my kid running an excavator putting a powerline in out there to get new power down to the building. That is just the stuff I have done. The other clubs have done a lot more as far as work. This grant is to finish the inside of the building. It should be a nice facility not just for our clubs but for the department to use for training events, the schools to shoot archery, and others in the community.

Councilman Carson asked you guys will have hunter safety courses out there too, right?

Bristlecone Bowman President McVicars stated that is the thought to have any education classes out there that NDOW would need; they could utilize it. When people are trapping and checking in furs you stand outside right now at NDOW's office, and it is usually very cold so we are hoping those types of events will utilize the new building too. I have the plans if anyone would like to see them. It is one hundred and twenty feet long by forty feet wide with a ten-foot awning on the North side to look at all the shot gun shooting. I think it will be a great building for everybody involved.

Councilman Carson stated it will be great for the community once it is done.

Councilman Carson moved to approve for the City of Ely to apply for the Nevada Department of Wildlife Grant in the amount of \$174,000.00 with Steptoe Valley Trap, Skeet, & Target Club providing the In-Kind Applicant contribution of \$19,333.00; grant funds would be used toward completion of Shooting Range building interior. Councilman Alworth seconded the motion. The motion carried unanimously.

3. Councilman Spear – Councilman Alworth – Discussion Only - Update on PORTER Group efforts on behalf of the City of Ely.

Councilman Spear stated the last meeting was a great meeting and we got good news. We are submitting the new earmarks for 2022/2023. The good news is the \$3.3 million for the Central Ely Project passed the House today and going in front of the Senate. They told us today it should be through the House and the Senate by Friday the 11th because they did attach some aid for the war across the ocean in Ukraine. We did have some discussion about the healthcare provider housing, and I think that is moving along well. I think the letter from NDOT was good and well received. I think we need to expand on that in stating that up to twenty-seven percent of our population of White Pine County is retired or retirement age and puts us in a problem for transporting patients or going to see doctors. I think we need to draft a letter from the City. We can get them out of here by Life Flight, but because of no public transportation they then become stranded wherever they are flown to if they don't have any family here. I think public transportation is paramount in helping with this project and I feel good about this project. The items Jim will be bringing up later will be perfect. We will be meeting again on Monday, and I am sure the President will sign that bill because the Senate is not going to hold it up with the Ukraine issue. They should be voting tomorrow, and I believe it will be signed early next week so we will have \$3.3 million. The good news I was listening to just a few minutes ago that we didn't know about at the beginning of this process, is any government funds have to be matched locally by twenty percent which puts \$660,000.00 into this project that we have to match and all funding that the government gives us, and no other federal funds can be used for the match. We need to do some discussion on that and take a hard look as a City at additional revenue whether that be fees or taxes to ensure we get our share of these earmarks, because our infrastructure is failing fast.

4. Councilman Alworth – Discussion/For Possible Action – Allocate \$500,000.00 from City's American Rescue Plan Act (ARPA) funds to purchase four (4) "Tiny Homes" and/or four "Park Model RV's" for traveling medical professionals at the William Bee Ririe Hospital & Rural Health Clinics; funding would include installing the necessary infrastructure on the property owned by the Hospital. This proposal would take effect if

the City's request for four million dollars (\$4,000,000.00) for traveling medical professionals' housing to the State of Nevada Capital Projects ARPA allocation is denied.

Councilman Alworth stated the key thing is this proposal would take effect "if" our request is denied. I want the Budget Committee to keep in the back of their mind this \$500,000.00 and read the following into the record.

I am not getting a good feeling about receiving much if any of the \$4 million dollars for the hospital housing project. The Hospital Board of Trustees recommended to have 10 tiny homes to be located on their property along with an apartment complex. After reviewing the 60 plus requests given to the State Treasurer on the "listening tour" in October 2021 from our area, which included a request of 300 million dollars for a new school. Nathan Robertson also recommended \$4 million dollars for the renovation of City Hall, hoping to have it completed in the year 2029 for the City's 100-year anniversary. I was amazed in the amount of money for projects being requested. I would be shocked what the rest of the State is requesting from the State of Nevada's \$2.6 billion ARFA allocation for needs within our State. The request for the Hospital Housing Project was not in place in October 2021. However, through the efforts of the Nevada League of Cities and the Porter Group, the City/Hospital proposal was forwarded to IEM (Innovative Emergency Management) the firm hired to "evaluate" the projects which they feel are the best candidates for funding from the States ARPA money and then they send their list to the Governor's office. At this point, the Governor's office will have the option to edit the list. However, we have been told it is doubtful the Governor's office will want to make any changes to IEM's work. I am disappointed with the results of the letter writing effort the City mailed out asking for support of this project. We received a support letter from WP Commissioners, the local NDOT and Eureka County Board of Commissioners. This request to set aside \$500,000 from ARFA funding would be a start but short of our goal. Mayor Robertson did receive correspondence this past Monday, that IEM has elevated our \$4 million dollar request to a higher level, and we may be receiving requests for additional information from the City and the Hospital to support our request.

Councilman Alworth stated we went through the use of the ARPA money, and I believe it qualifies for that due to medical needs from COVID. We just lost a good representative on the Regional Planning Commission Board because he is working 24/7 because they can't get anybody in here. I ask the Budget Committee to please allocate \$500,000.00 "if" we don't get the money from the State ARPA.

Councilman Spear moved to approve allocating \$500,000.00 from City's American Rescue Plan Act (ARPA) funds to purchase four (4) "Tiny Homes" and/or four "Park Model RV's" for traveling medical professionals at the William Bee Ririe Hospital & Rural Health Clinics; funding would include installing the necessary infrastructure on the property owned by the Hospital. This proposal would take effect if the City's request for four million dollars (\$4,000,000.00) for traveling medical professionals' housing to the State of Nevada Capital Projects ARPA allocation is denied. Councilwoman Williams-Harper seconded the motion.

Councilman Carson stated say we do accept this, and I am not saying it is a bad idea but would this kind of hinder their \$4 million ask right now if the State heard about this and said the City of Ely has it covered so they really don't need that money.

Councilman Alworth stated I don't really understand your question because Heather from IEM asked us "do you have all your plans together?" We answered, yes. When you have one entity wanting \$300 million in Ely, how far do you think \$2.6 million is going to go? My idea with the \$500,000.00 is the hospital has said they could contribute some money too. They are strapped because they couldn't do it the first time because of Davis Bacon expense. The push is \$2.6 million when people are asking for \$300 million in this tiny city. There are sixty-three people that asked and there were several asks for \$8 million dollars, lumped together, for housing. I guess your question is by asking us to put \$500,000.00 off to the side; they don't know and you're saying they might say 'don't give them the money because they have \$500,000.00'; well then, we only need \$3.5 million.

Mayor Robertson stated is the request to have the Budget Committee run this through McKay and the accounting firm to make sure there is a way to do it or just make an allocation?

Councilman Alworth stated we want the warm and fuzzy that it is going to be legal to do it, but I think when we wrote this proposal Ed and I looked at this and it was critical for housing for medical personnel. We are shipping the patients out because we don't have enough housing to keep professional staff in town. We had one take off and found a place in Washington. We don't have housing for these people.

Mayor Robertson asked would we need to make changes to the current zoning or is it already zoned for something like this?

Councilman Alworth stated that is the continuation of the rest of the items.

Mayor Robertson stated would you like to open up all of the items before we vote on them or address them individually?

Councilman Alworth stated let's bring it back because the process is between the Building Official and the attorney; this whole thing might take a dive.

Councilman Carson asked does anyone know if White Pine County chipped in anything on this project out of their ARPA money?

Councilman Alworth stated so far nothing but when I talked to Matt at the hospital he said they could come up with some funding and there may be individuals that want to contribute; but we haven't solicited. We sent letters out and we got nothing back, so people either don't care or what is the big deal. It is really disappointing and disheartening.

Mayor Robertson asked Councilman Spear do you mind if we suspend your motion while we address these other items and then come back to this one?

Councilman Spear stated I am okay with that.

Mayor Robertson stated we will suspend the motion and discussion for a moment and continue on with the next item.

5. Councilman Alworth – Discussion/For Possible Action – Direct city attorney to amend the Ely City Municipal Code to allow “Tiny Homes” or Park Model RV's” to be used for affordable housing within City limits.

Councilman Alworth read the following into the record:

Tiny Homes didn't even exist when our City Codes were wrote and approved. The time has come to get on board with the rest of the Country when it comes to affordable housing. There are several communities that have Tiny Home villages and are very successful with CC and R's in place. There are many companies building and selling these types of homes. I believe if we don't make the change to the Codes the future of affordable housing opportunities within the City limits, will cripple our growth.

Councilman Alworth stated that is why the direction is to get the attorney to work on that. Down by Colorado City and in Southern Nevada there is tiny home housing and it's not like we are reinventing the wheel. We have to do something. Our Codes we know are outdated and “Tiny Homes” people probably thought they were bird houses if you talk to them, but we have to do something or we are going to be out of housing. We had a member of the public say there is no housing.

Mayor Robertson stated those communities you are talking about, are they stick built “Tiny Homes” or are they towed in from somewhere?

Councilman Alworth stated in those papers I handed out to you is up in Winnemucca and if you read at the bottom “Tiny homes” aren't actually homes; some are built to code requirements for travel trailers. Athens Park Model RVs are all built to the rigorous ANSI-A119.5 code for park model RVs; that is a Building Department thing right there. We have to get something going whether it is the Park View or like the ones B.J. visited

on a quick trip and as we get a little farther into the other items, we will discuss that. My main point is we just have to get into the 21st Century with our City Codes. “Tiny Homes” are here forever.

Mayor Robertson asked what would be required in the codes to do this?

City Building Official Peterson stated according to the zoning ordinances in the City of Ely “Tiny Homes” are currently permitted. Appendix Q of the 2018 IRC, which is currently adopted. “Tiny Homes” are stick built homes built to the currently adopted building codes. They are allowed in all our zonings right now and we can build them in the R250 zones based on an ordinance that was passed years ago that allowed any lot that was non-conforming but designated prior to 1986 there are no minimum lot size requirement for those zones. We have some in Murry Canyon, some in this area, and some in central Ely. As for the “Park Models” that is where it gets a bit complicated. The State Codes require that any time those are occupied for thirty days or longer they be classified as mobile homes, which would require different strapping, setting on foundations, protection from the wind, and then there is some interconnection to utility requirements that go along with that. To further complicate that, Housing and Urban Development in 2018 issued a clarifying order that said HUD had no jurisdiction over RVs because they are built to a different standard. The State law has not caught up with HUD’s latest determination as far as their jurisdiction. As it stands right now if a “Park Model RV” were to be used as a home theoretically it could be done. The engineering for the strapping would be required, but the real complication comes with the utility tie-in because State law requires a placard to be placed on the RV. The placards we have currently from Housing and Urban Development require serial numbers and the serial numbers are only applied to the houses that are built to HUD standards and not to the RV standards.

Councilman Alworth stated it is possible?

City Building Official Peterson stated yes, theoretically it is possible. I have an inquiry in with the manufactured housing with the State to answer these questions. The gentleman I talked to had no idea and is going to try to find out as it is not something that has come up.

Mayor Robertson stated it is not just a problem with our code, but the State does not have anything on this?

City Building Official Peterson stated correct, and the State may or may not have jurisdiction on it based on their outdated laws, based on the guidance from HUD. That is not something for me to speak on, it is just informational.

Mayor Robertson stated if we find out the State does not have jurisdiction, it would be solely our jurisdiction?

Building Official Peterson stated correct.

City Attorney Cahoon stated I will add there is a bill that passed and will be effective January 1, 2024 that requires governing bodies of populations of less than one hundred thousand to designate at least one zoning district for “Tiny Homes.”

Mayor Robertson stated so when they say “Tiny Homes” this is where my head starts to hurt. We are talking about either small stick-built homes or something somebody builds on a trailer?

City Building Official Peterson stated not necessarily, there are other options for “Tiny Homes” such as container homes. I am currently in the process of coming up with a protocol for people who want to bring in container homes into the County to make sure we have proper inspection, engineering, and setting up foundations. I am hoping to have that done by the end of the month to provide clarification to some of the manufacturers. There are alternate means and methods, but typically “Tiny Home” means set on a permanent foundation and they are real property.

Mayor Robertson asked City Building Official Peterson, have you been involved in any of these “Tiny Home” developments in Utah.

City Building Official Peterson stated yes. I was instrumental in adopting container home ordinances in Salt Lake City. We used them for accessory dwelling units and the inspection regimen was thrown on to me as far as to design and implement the inspection regimen we had for that. It was a rather simple process; we made sure we got inspection reports from typically third-party agreements.

Mayor Robertson stated would you have a recommendation of action on item five.

City Building Official Peterson stated until we get clarification on the “Park Model Homes” my recommendation would be to move forward with the “Tiny Homes,” but we already have that ability to place those anywhere in the City or the County based on the adopted codes that we have now.

Mayor Robertson stated you are talking about a stick-built home?

City Building Official Peterson stated correct, stick-built or some kind of modular, container type home and alternate means and methods of construction as well.

Mayor Robertson stated are their companies that build something that look like these “Park Model RV’s” but meet a mobile home code?

City Building Official Peterson stated yes.

Councilman Alworth stated on the examples that I handed out the “Park Model RVs” are built in Boise, Idaho. The other ones are built down in Henderson. On this item I guess no action needs to be taken then other than when we bring it back on the “Park Model RVs.” My plan was to get everything in place so we can have open arms with people coming in to sell these types of homes.

City Building Official Peterson stated I can work on clarification on all this as we go along. It will take some time due to the nature of the complicated questions on the “Park Model RVs.”

Mayor Robertson stated do you want to table this until you have more information or move forward.

City Building Official Peterson stated if we don’t actually install any of these, we are not in violation of anything and not harming anything. The ordinance could move forward, it becomes an issue when they are presented to us.

Councilwoman Williams-Harper stated the only real unknown is the “Park Model RVs” so maybe we just take that piece out.

Councilman Alworth stated right now there are four “Tiny Homes” at KOA, and they have a real fancy one out there now. There is a container home in McGill that is set off the street that has just been brought in this last week. Like Donna said, we would like to make your job easy with whatever is allowed in the City is allowed in the County and vice versa.

Mayor Robertson stated if we remove the “Park Model RV” language that Councilwoman Williams-Harper is suggesting and the code already allows for “Tiny Homes” as such.

Councilman Alworth stated some of these “Tiny Homes” are in Winnemucca so maybe they can be of some help.

City Building Official Peterson stated I am happy to reach out to them.

Councilman Alworth stated we would delete “Park Model RVs” off of this item and we will hold off on a motion then.

Mayor Robertson stated, yeah.

6. Councilman Alworth – Discussion/For Possible Action – Direct city attorney to amend the Ely City Municipal Code to allow “Tiny Homes” or “Park Model RV’s” to be parked in mobile home parks. The code change would also apply to property owners who may have vacant lots to rent out, with utilities on site for these types of homes. This is an effort to ease lack of affordable housing within the City of Ely.

Councilman Alworth read the following into the record:

Within the City limits there is limited property that is available for housing construction that could be considered affordable. The City of Ely, as Mayor Robertson has stated many times, is the most remote City in the lower 48 States. Make no doubt about, it is expensive to have both local and non-local contractors build homes in our area. This Code change needs to be in place to help with lack of affordable housing. There are several mobile home parks that have several empty spaces, there are also many vacant lots throughout the City. If the owners of these mobile home parks and vacant lots, were to clean them up and utilities are currently available the lots could be either sold or rented for these types of homes.

Councilman Alworth stated Mr. Chachas mentioned the trailer park that was in the previous administration they got rid of it and when we went through this last resolution of the construction of Great Basin, the lady that owns the trailer park said I am not doing it. All she had to do was collect \$150.00. The option was there, but she chose not to do that, so it went without getting the use of it. The other trailer park and KOA were successful in using it. Again, we don’t have a bunch of land around our city limits that you can build a lot of stuff. There are parcels up on the bypass, but it is getting absorbed by individuals. We just have to do something with what we have going on. If we want something to happen, we just need to look south of Ely at the Ely Shoshone Tribe; those guys make things happen. They don’t have the restrictions that we do, but they have trailer parks built, buildings going up, and here we are surrounded, and we can’t do nothing because of various codes.

Mayor Robertson stated I think opening mobile home and RV Parks if we have space in one of those zoned areas is absolutely a great idea. I am a little concerned about the language on property owners that may have vacant lots. If I live in a neighborhood with single family home zoning, I don’t know how I would feel about someone pulling in an RV to park on the vacant lot.

Councilman Alworth stated I look at it like this, down in Central Ely there is property that looks like junk.

Mayor Robertson stated that is zoned for Manufactured homes.

Councilman Alworth stated that is what he just said is you could put one of those “Tiny Homes” on there. If there is someone getting letters from the City saying clean your property up, well here it is, get it cleaned up and you have water, sewer, and electrical there and you can make \$200.00 a month or whatever it is. I will give you a prime example, on the corner of Orson and Crawford there is a nice lot there. It has some junk in it now, but I think that would be a prime spot for two “Tiny Homes.” You go up some of these other streets and trees are busted and hanging down and all we are doing is writing letters, but you give an incentive to clean your property up; there is a need for this here. When we have contractors in RVs coming in, we either have a place for them to stay or they’re going to go stay in Eureka or Duck Creek on the side of the road. We need to have a resolution to say it is for the best interest of the residents and we have an immediate need for housing.

Councilman Carson stated I would like to make a disclosure. My father, Keith Carson, does own a mobile home park and I own no part of that business. After consulting with the City Attorney my father is getting treated no better or less than anybody else so I feel I can vote on this matter.

Councilwoman Williams-Harper stated this is so critical to see the enthusiasm of this moving forward. I am speaking generally as an educator, just because we are small, we have a lot of teachers that say we would like to come but there is no place for me to live. Young teachers don't make much money and don't need big houses. A lot of them would like to come and live the lifestyle that is afforded here, but there is no housing and that truly impacts how we can educate our students. There are so many advantages to being small and being able to have amazing schools for the community.

City Attorney Cahoon stated I would recommend an ordinance and a zoning district be established for this in anticipation for this new law coming out of the legislature.

Mayor Robertson stated my question is this agenda item to allow these types of "Park Model RV's" to be placed on any property or within certain zoned areas?

Councilman Flangas stated there are so many lots that are zoned twenty-five by one-hundred and not big enough to build on and that is why they are vacant. This type of home would fill in some of those areas as there is adequate space and still have at least five feet from each side of the property. I think having these homes on these vacant lots would be extremely beneficial to the City of Ely.

City Building Official Peterson stated again, "Tiny Homes" are allowed in every residentially zoned area that we have, and you can build a small house that you like to the IRC. The complication comes with the "Park Model RVs." I don't think it is a bad idea; there are just some unanswered questions that I need to dig into. As far as the non-conforming lots in Murry Canyon, the only real drawback that people face are the setback requirements. Even with the tiny homes they may struggle to meet those requirements. Possibly amending the setback requirements in the City or dealing with it on a case by case basis would probably be the way to go from a zoning perspective.

Councilman Alworth stated I really appreciate your flexibility and thoughts. When I talked to the City Clerk it takes close to two months to get an Ordinance past and that is why we are getting the ball rolling and we need to keep it rolling. Whatever we need to get this moving along fast because there is a customer, the Mine, out there that is needing housing now. The housing group met with them, and their people are living in Eureka. They have no ordinances there and there are trailers in back yards and everywhere. If we don't do something quickly, we will miss this opportunity for this Mine in purchasing these type homes and installing them. We can move onto the next item.

7. Councilman Alworth – Discussion/For Possible Action – Approval to purchase one (1) model "Tiny Home" or "Park Model RV" not to exceed \$80,000.00 for the public to view firsthand during a scheduled "open house"; if approved, this building could go towards the William Bee Ririe Hospital & Rural Health Clinics Housing Project and/or the Redevelopment Agency could consider purchasing for placement within the Redevelopment Area. Construction of one "Tiny Home" is estimated to take approximately eight (8) months to complete.

Councilman Alworth stated I put out some color pictures of the one that was mentioned in the cover page. The delivery price and installed is \$79,000.00 for a two bedroom, one and a half bathrooms "Tiny Home" and the specs are in there, which is a high end "Tiny Home." I have done a lot of work looking at this and you can start out around \$30,000.00. Again, we have four "Tiny Homes" at KOA, a deluxe one that just showed up, and a container home that Rudy brought to McGill.

Councilman Alworth read the following into the record:

Basically, to see up close and walk through a Tiny Home could influence an individual to invest. This investment is comparable to the current price of a new 4 X 4 vehicle. It would be hopeful folks would purchase this type of affordable home and stay in our area, but if they have to leave our area, the home could be sold or taken with them.

Councilman Alworth stated I have talked to the Treasurer on this, and she said what if this whole thing fails. I don't know if it is going to fail or not, but we could probably sell it or

kick it over to the hospital depending on how things go. Again, we can ask KOA if they would want to do an open house. I have been in these and camped out in them and they are nice. A lot of people think when you say “Tiny Home” you are talking about real tiny. My vision would be to get one purchased and put it right here behind City Hall and have a security fence around it and schedule some open houses, so people get an idea of it. There are a lot of young folks in this town living with their parents, because there is nowhere for them to move. They are working at the Mine making eighty to one-hundred thousand a year but have to live with mom and dad. They are all driving a jacked up four-wheel drive for \$80,000.00, with a \$20,000.00 side by side on a \$15,000.00 trailer. We have to capitalize on this. Our young people are not going to stay here if they do not have a home.

Mayor Robertson stated if there is a company that will build something like this to a mobile home standard rather than an RV standard, doesn't that address our concern for ninety percent of the problem?

City Building Official Peterson stated correct, then it could be transferred to real property. The issue is this has been classified by the State as an RV and that is where the issue comes from as there is no way you can make these a real piece of property that someone can purchase.

Donna Bath stated some of the samples that Jim has, especially the one from Winnemucca, there is a developer that wants to come to Ely and do these. You do have an option of taking the wheels off. All of the structure meets code and the ones up in Winnemucca were initially a government contract and the mine up there when they first started built a “mini city” if you will. They moved them in on wheels and set them up on cement foundations that were poured to fit the trailer and they were secured like a manufactured home. The answer is yes, you do have an option to bring them in on wheels and take off the RV package and follow the guidelines to make them real property.

Mayor Robertson stated if that is the case, we don't have to do anything because our code allows for that. The other question Jim is if we buy them and set them up for the hospital, who owns them and who will be taking care of them? Are we giving them to the hospital?

Councilman Alworth stated it is going to be the hospital ARPA money; the City has no investment. The City has no involvement in it other than running with the plans.

Mayor Robertson stated if we are going to use our money because we don't get something else, we are just donating them to the hospital?

Councilman Alworth stated yes.

Councilwoman Williams-Harper stated it is commendable because we are forward thinking; lifestyles have changed greatly. When you think about where we are some people don't want to be saddled with a mortgage of traditional homes because they want to buy and have all those things. Young people want to live here, but they want to have a home they feel they can afford, have the toys they want, and be able to afford to put gas in their tank when they want to go somewhere else; all that makes a big difference. We have to understand just because it is not what we have lived in traditionally as older people in the past doesn't mean something tiny is not as stable, wonderful, and cannot be as beautiful as neighborhoods we have all lived in. By not having affordable housing, we have great people that are walking out the door.

Mayor Robertson stated we have four items open here and I am going to see how we can close some of them up. Let's start with item five. Jim is that the one you want to let go for the moment?

Councilman Alworth stated yeah, I think we are pretty well covered other than the “Park Model RVs.”

Councilman Alworth moved to table directing the City Attorney to amend the Ely City Municipal Code to allow “Tiny Homes” or Park Model RV's” to be used for affordable

housing within City limits. Councilwoman Williams-Harper seconded the motion. The motion carried unanimously.

Mayor Robertson stated on item six if we could have the motion include purchasing whatever is built to mobile home standards instead of RV standards.

Councilman Alworth stated I have a problem with that, and I will tell you why. The country is doing “Tiny Homes” without your agreeing to a mobile home sticker on it. You’re going to go down to Vegas and tell this lady we might buy some homes, can you change them and modify them the way you want to see them. No, Mr. Mayor.

Mayor Robertson stated I was talking regarding the legality of it.

Councilman Alworth stated the one Donna was talking about was the Park View ones and they are the ones that match up. “Tiny Homes” are being constructed all around the country.

Mayor Robertson stated I am assuming this is zoned for mobile homes and RVs.

Councilman Alworth stated that is what she is talking about, and we are trying to say these “Tiny Homes” you want this person down at Housing Partners International to change the design of their buildings, so it qualifies for a mobile home sticker. It’s a “Tiny Home” you take the wheels off. I am totally confused.

Mayor Robertson stated I share in your confusion. My understanding is if we do that, we will have to change the zoning to allow for RVs and mobile homes.

City Building Official Peterson stated yes, it really comes down to the standard in which these are built to. The ANSI standard and the NFPA standards there is no conversion to real property, so it is always going to be an RV no matter what you do with the zoning and always be separated from the land. You can connect to permanent utilities if you follow State Law. The HUD ones are the ones you can convert to real property.

Mayor Robertson stated I will defer to you for a recommendation on that because I am confused with Councilman Alworth on the back and forth on what’s allowed.

Councilman Alworth stated let me clarify. You said contact these people and see if they could build it to meet your idea. We don’t have to have them build it to meet your idea Mr. Mayor. They are being built every day. They are not going to do something for Nathan Robertson because he wants to change it.

Mayor Robertson stated I am not asking them to change it, Jim. I am asking if there has to be a zone change for this.

Councilman Alworth stated and that is the City Building Official’s area and he said we can do every bit of this here.

Mayor Robertson stated I will refer to the City Building Official on the recommendation.

Councilman Alworth stated are you going to call any of these housing places and say can you change your construction of these, so they fit the Ely code without less hassle; is that necessary?

City Building Official Peterson stated the question of whether or not you want to permit the RVs; the standard built “Park Model RVs” to be placed in the City is a political question and not really a question for me. I am just speaking to the standards to which they are built and the conversion in the long-term use of these things. As far as I know the mobile home standard, “Park Model RVs” may very well be allowed, and I would have to review it to make sure there was no language that specifies it is required to be a HUD certified building to be placed in that zone. The zoning that I have spoken about today is the “Tiny Homes” with permanent foundations and stick built which are allowed in all of those zones we have in Ely. It really depends on the standards in which you would like to proceed as far as placing these things on different zones.

City Attorney Cahoon stated I think they are currently allowed in all the zones, but I would suggest we take a look at SB150 regarding the new building law as it requires cities and

counties to adopt ordinances that establish zoning districts for “Tiny Homes.” That is why an ordinance would be necessary to establish these districts.

Mayor Robertson asked can an ordinance be tailored to include a “Park Model RV,” but exclude someone from pulling up a camp trailer?

City Attorney Cahoon stated I would think so.

City Building Official Peterson stated it depends on how they interpret the law and whether “Tiny Homes” and “Park Model RVs” are considered “Tiny Homes” under that law, but I can’t speak to that.

Councilman Alworth stated Mr. Mayor I would like to take off items four, five, six and seven all the way off the agenda until we get some more research. This is the typical action of government, holding back. I just stated our codes are outdated and we are sitting here arguing over something that has already been told we can modify and do. We have got to quit talking about it and act on it. Other towns and cities are developing this. Why does the City of Ely have to be way in the back woods on this?

Mayor Robertson stated I am just looking for clarification on this.

Councilman Alworth stated looking for clarification is denying it and slowing the process down.

Mayor Robertson stated I am not asking for you to take them off or slow it down or anything else.

Councilman Alworth stated you are slowing this process down Mr. Mayor.

Mayor Robertson stated I am entertaining a motion on these items.

Teresa Ciciliano stated you all got very passionate very quick. Has anyone done a study to see if there is even a demand for this?

Donna Bath stated the White Pine Main Street Housing Committee did a value needs assessment study that was done in conjunction with our local realtors and also the University of Nevada in Reno. What we found is we have a need for everything such as “Tiny Homes,” middle homes, high-end homes, and apartments. I understand where Jim’s frustration is coming from because we have bantered this back and forth since 2019 and one of the suggestions we had was exactly what Winnemucca did with these homes. The ones you see in the pictures that are all lined up initially started out as RVs because they did start out on wheels. They did exactly what the City Attorney said and designated an RV zoned district. Those RV parks within those standards in the ordinance required them to be placed and maintained in what you see right there. It is not like you are going to be pulling up a wagon and plugging it into utilities. If your ordinance is created properly, it is going to be a zone for, as Councilwoman Williams-Harper said, an area younger people would probably be attracted to because it is affordable, will look nice, and it is going to be functional. It is going to take care of a huge need we are avoiding in our community because we don’t just need big houses.

Councilwoman Williams-Harper stated if we pass something and it is wrong, we simply just have to come back and redo it and fix it, am I correct? We are going to find out everything we need to know and if we bump up against something then we figure out how to go around it or just make it right.

City Attorney Cahoon stated if I am directed to draft these ordinances, the time would go into making sure they are legal and correct prior to putting it before the Council. The items as they are presented right now are broad enough to allow me to play with the ordinance and tweak it to the Council’s pleasure.

City Engineer Almberg stated that is exactly where I was headed to. I have been in these housing committee meetings and all the things we are trying to do and what always came from those meetings. I understand both sides of this and not wanting a trailer being pulled in near homes. We all understand the concerns on both sides of this discussion tonight and I

think we should proceed with starting this research and starting an ordinance and maybe the recommendation comes back saying we don't need an ordinance. I think we need to do what we can to make it work for both sides, but to stop it tonight and not do anything tonight I don't think would be the way to go. The committee has been working hard trying to come up with solutions. Let's get the ball rolling and everybody can work together and remedy these situations and we don't have to have the answer tonight, but will have it later down the road after we do the research.

Vince Fleischman stated I am an investor and have bought quite a few houses here in the last three to four years. I really appreciate what you are trying to accomplish here. I think one thing we need to be careful with is the type of investment that loans can be gotten on. Whenever I look at loans and trying to get loans when you say mobile...well first when you say Ely you have a problem because we are rural so that cuts out about fifty percent of any kind of bank loans you can get on any project. When you say mobile that is a totally different arena. When I think "Tiny Homes" I can probably get a loan on a "Tiny Home", but I can't get a loan on a mobile home without the land because there is nothing to attach to and there is no value. As an investor I have to say if I am going to get a mobile home, I want it on land and converted to real property. I have to think as an investor can I sell it or rent it. As an investor you always have to think that way because I am not a non-profit operation. In terms of putting mobile homes in and making them into real property, I don't think any of us want to pull in fifth wheels and make them a home, because it is not a home. I agree with zoning an area for those, but if I can buy a "Tiny Home" for \$80,000.00 and hook it up to water and sewer and make it look like the rest of the neighborhood I think that is going to spur a lot of investment. I am looking at investing in Winnemucca because they have a huge lithium mine going in there. I didn't think Ely would be a good place to invest, but I have been educated tonight and maybe I can invest here.

George Chachas stated I looked at a couple of citations that I got in relations to the properties that I had and had to evict people; one was in 2016 and one was in 2017. One of the people I evicted was a veteran.

Councilman Alworth stated Mr. Mayor is this conducive to the agenda item? He is talking about past history back in 2016 and it has nothing to do with this agenda item.

George Chachas stated that individual worked for the hospital and I received a \$350.00 citation; not one came to support that gentleman when we went to court and I ended up losing over a \$7,000.00 contract with him because he had to move off of my property that met the minimum codes. You guys are the problem.

Mayor Robertson stated Mr. Chachas, this is not germane to the discussion at hand and unless you have something to say about these changes that are being made, I am going to ask you to step back from the microphone.

George Chachas stated you have got to stop selectively enforcing the law; you guys are the problem.

Mayor Robertson stated thank you, that is noted.

Councilman Spear stated I just want to know where we are at. A few minutes ago, Jim stated he wanted to pull all those agenda items and now we are hashing it out. Are we going to move on any of them? I think it is crucial to do it and think the "Tiny Homes" are a good idea. I am in favor of all this stuff except maybe the RV stuff and there are a lot of good arguments here. My question is what I thought I heard is we could pass these items and then correct it later.

Mayor Robertson stated as I stated earlier, I would like to call for a motion on item six.

Councilman Alworth moved to approve item six directing the city attorney to amend the Ely City Municipal Code to allow "Tiny Homes" or "Park Model RV's" to be parked in mobile home parks. The code change would also apply to property owners who may have vacant lots to rent out, with utilities on site for these types of homes. This is an effort to ease lack of

affordable housing within the City of Ely. Councilman Spear seconded the motion. The motion carried unanimously.

Mayor Robertson stated I will call for a motion on item seven.

Councilman Alworth moved to approve item seven to purchase one (1) model “Tiny Home” or “Park Model RV” not to exceed \$80,000.00 for the public to view first hand during a scheduled “open house”; if approved, this building could go towards the William Bee Ririe Hospital & Rural Health Clinics Housing Project and/or the Redevelopment Agency could consider purchasing for placement within the Redevelopment Area. Construction of one “Tiny Home” is estimated to take approximately eight (8) months to complete. Councilwoman Williams-Harper seconded the motion. The motion carried unanimously.

Mayor Robertson stated I will call for a motion on item four.

Councilman Alworth moved to approve item four to allocate \$500,000.00 from City’s American Rescue Plan Act (ARPA) funds to purchase four (4) “Tiny Homes” and/or four “Park Model RV’s” for traveling medical professionals at the William Bee Ririe Hospital & Rural Health Clinics; funding would include installing the necessary infrastructure on the property owned by the Hospital. This proposal would take effect if the City’s request for four million dollars (\$4,000,000.00) for traveling medical professionals’ housing to the State of Nevada Capital Projects ARPA allocation is denied. Councilman Spear seconded the motion. The motion carried unanimously.

9. PUBLIC COMMENT:

Mitch McVickers stated I am glad you guys are moving forward with this. I have been saying for years that there are plenty of little lots around town that could have somebody living on them whether they are here all the time or here to deer or elk hunt. In my job I am in every alley and see every back yard and to me I see them getting cleaned up and it is a good thing for the City.

George Chachas stated the lady that had the trailer park spent \$19,000.00 going to court trying to stay in operation as she was and then you come back and want to spend another \$150.00 for a special permit, B.S. I protested thirty-eight different properties that me and my family had because we can’t use them. We can’t use them because of your government and your regulations and now you’re desperate for housing. I told you the citations I got in 2016 and 2017, yet all those around me are using there’s having RV’s and motorhomes, but I can’t do that. I and my family get citations and that is discrimination. Now you want to give the hospital housing, hell no. I’m a taxpayer and I can’t use my property and yet you want to tax me and take other taxpayers’ money and support housing. We could have solved this, but they didn’t step forward. I am not going to pay taxes and support someone else with housing when I can’t do anything with the property that I have; that is discrimination. I have always come to either the City Council or the County Commission expressing my concerns with what your building inspector was doing. I haven’t gone anywhere else, but I will tell you if this goes through, I will go elsewhere, and discrimination is the first damn thing I yell out. This peeves me off! That being said at previous meetings I reported RVs with possible squatters setting up throughout the City. I have asked if they have been billed for utilities and still no answer. I have given you pictures and again still no answers. Also, I have gone to the Regional Planning Commission and the County Commission and have asked to date if the City and the County have addressed the code violations by the Regional Planning Commission, County Commission, as well as some of the City Council Members. You make rules and regulations for everybody but yourselves. Clean up your act! Mr. Flangas has a problem. Mr. Spear has a problem. Mr. Alworth has a problem. Pay the proper fees, but you don’t do that, and you are selectively enforcing the law and then you wonder why the town doesn’t grow. Once again, I am requesting a complete list of individuals that the City has permitted to park RVs on City lots and City streets while living in them. This is dated November 2021 and I am still waiting.

Jim Alworth as a private citizen stated I was out for a walk the last few days and out there in east Ely located in the old Crabtree Trailer Park there is a camp trailer located in there and there is an electrical cord coming out of the ground. This old trailer that is in the old Crabtree Trailer Park is plugged in to an extension cord coming out of the ground. Some kid playing around could possibly get electrocuted. There are some old cars stored in the old Crabtree Trailer Park and I don’t know the exact address, but it is a safety hazard. Someone is possibly stealing power by running an extension cord and it is a safety hazard. I can’t believe it.

Vince Fleischman stated I talked to Donna initially and I made calls to the hospital within the last three months, to the Mine within the last three months, and to many of the vendors here looking for housing because I have housing ability and I got no calls back. I am sure there is plenty of need, but we lack organization. I called the Mine many times and they said we don't need any housing. In fact, they went as far to say all of our executives have plenty of housing and those are the only people we look after. They said you could put a flier up. I get people to rent from clutter. I think having someone like Donna in the position she used to have where there is a central clearing house for landlords that have available housing maybe is what is needed here.

Shadrach Robertson, Director of the Ely Film, Art, and Music Festival stated there is a huge party this weekend and you are all invited.

10. ADJOURNMENT: THE MEETING MAY BE ADJOURNED BY APPROPRIATE MOTION OF THE CITY COUNCIL.

Councilman Flangas moved to adjourn the regular meeting of the Ely City Council at **6:53 p.m.** Councilwoman Williams-Harper seconded the motion. The motion carried unanimously.

MAYOR

ATTEST